



FEMA's Hazard Mitigation Assistance Grant Programs

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Hazard Mitigation Grant Program (HMGP)

Overview

HMGP Introduction and Summary

- **Section 404 of the Stafford Act**
- **Administered by FEMA**
- **Funding: Total Federal assistance, subject to sliding scale formula:**
 - **Up to 15% of the first \$2 billion**
 - **Up to 10% for amounts \$2B and \$10B**
 - **Up to 7.5% for amounts between \$10B and \$35.33B**
 - **These grants are 75% federally funded/25% local**

HAZARD MITIGATION GRANT PROGRAM

Projects must:

Solve a problem

Have a beneficial impact

Be cost effective

Substantially reduce future risk

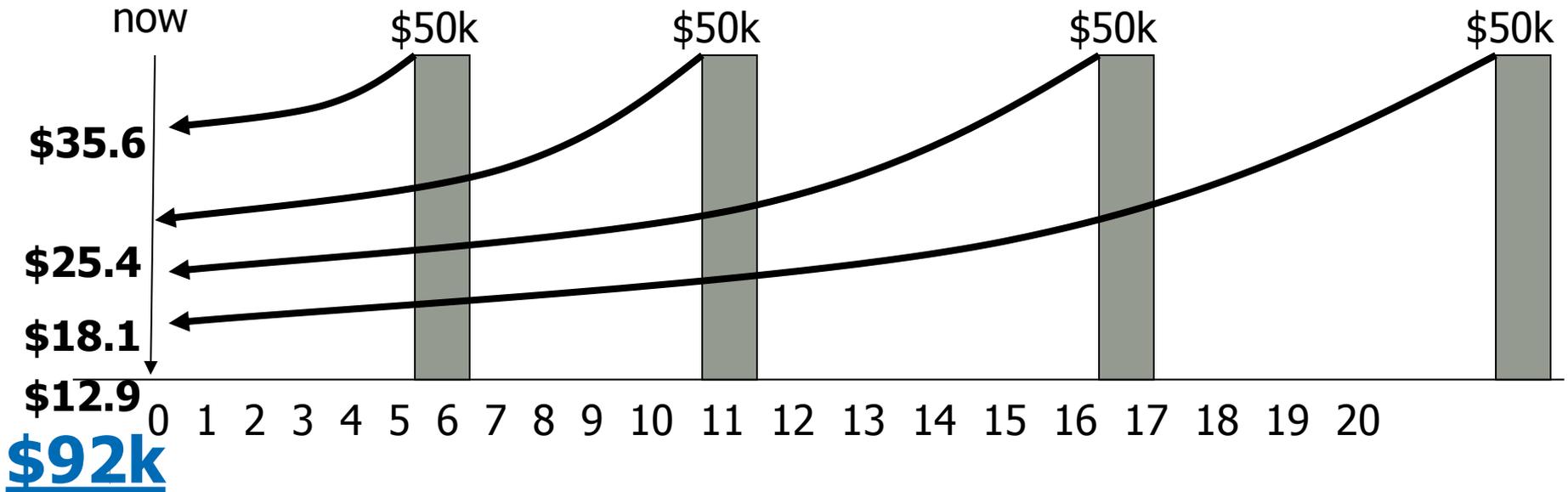
Be environmentally sound



Benefit Cost Analysis (BCA)

BEHIND THE CURTAIN

“Calculated using the Net Present Value”
Present value of 20 years of losses is **\$92k** not \$200k



Benefit Cost Analysis

Benefit Cost Analysis:

- **Avoided future losses > Cost**
- **FEMA software - BCA done on each individual home**
- **For buyouts - Substantial Damage Waiver or \$276,000 waiver**
 - **MUST BE IN FEMAs SFHA**
- **For Elevations - \$175,000 waiver**
 - **MUST BE IN FEMAs SFHA**

Benefit Cost Analysis

- **No waiver for Mitigation/Reconstruction**
- **It the property does not meet above waivers (In SFHA)**
 - **Elevation Certificate and Flood Insurance Study**
 - **At least three prior known flood losses to complete the required BCA**
- **If outside SFHA**
 - **At least three prior known flood losses to complete the required BCA**



Mitigation of Flood Damaged Homes

Mitigation of Flood Damaged Homes

Primary Mitigation project types

- **Home Acquisition and Demolition**
- **Home Elevation**

Property Acquisition and Structure Demolition

The acquisition of an existing at-risk structure and conversion of the land to open space.

- **FEMA Buyouts are strictly voluntary**
 - No homeowners are ever forced to sell
 - No owner relocation assistance

The Typical Buyout Process

- **Appraise**
 - Pre-Flood
 - DOB
- **Generate offer**
- **Appeal Process**
 - Owner paying for an independent appraisal
 - State has final say in value
- **Title search**

The Typical Buyout Process

- **Closing**
 - Properties must be vacant at the time of closing
 - Necessary paperwork to transfer clear title
 - Owner receives net proceeds
- **FEMA Deed Restrictions**
- **Demolish buildings and clear sites**

- **From Appraisal to Closing**
 - **Can be completed in 90 Days**
 - **Assuming**
 - **Seller is ready to sell**
 - **No title issues**

Elevation

- **One of the most common retrofitting methods is elevating**
- **When a house is properly elevated, the living area will be above all but the most severe floods (such as the 500 year flood).**
- **Almost any home can be elevated**
- **Most elevations in TX are slab on grade**

Elevation

- Raise existing structure two foot above base flood elevation (BFE)
- Project must be cost-effective
- Elevation methods:
 - Continuous foundation walls
 - Piles, piers, posts, or columns



Elevation

- **Benefit**
 - Prior flood loss
 - Depth in the floodplain
- **Cost**
 - Method of elevation
 - Lift height
 - Vertical footprint



Eligible Elevation Costs

- ▶ Architectural and engineering fees
- ▶ Permitting
- ▶ Clearing necessary vegetation
- ▶ Excavation around the dwelling
- ▶ Lifting or jacking building
- ▶ Temporary support cribbing

Eligible Elevation Costs

- ▶ Disconnecting , extending, and reconnecting utilities
- ▶ Constructing a compliant foundation
- ▶ Cost associated with elevating the building to the required height
- ▶ Restoring the lawn, walks, driveways, and other surfaces outside the perimeter exterior walls, if damaged by the elevation process

Ineligible Costs

- **Costs related to building additions or auxiliary structures**
- **Construction of new decks or porches**
- **Any improvements for purely aesthetic reasons, unless required by the EHP compliance review**
- **Additional landscaping for ornamentation beyond what existed on the site prior to construction of the project (e.g., trees, shrubs)**

What's Next

- ▶ Understand who is interested
 - ▶ Acquisition or Elevation
 - ▶ Complete Benefit Cost Analysis
 - ▶ Aggregate BCR > 1.0
- ▶ Obtain Council Approval based on interest/eligibility
- ▶ Application for interested/cost effective homes
- ▶ Submit application by Due date
- ▶ Wait for results of review

Elevations – Before and After







209 Via de Luna
Lot 13, Blk 7, Villa Primera
Pensacola Beach, FL

Front/Street side

2011/10/24



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Questions?

